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DPD-1918-59
Copy 3 of 3

20 March 1959

MEMORANDUM FOR THE RECORD

SUBJECT : Concurrence in Amendment No. 4 to Contract No. SP-1915 with Lockheed Aircraft Corporation, Burbank, California, OARFISH, Projects CHALICE, THERMOS & GUSTO

1. This memorandum contains a recommendation submitted for approval of the Deputy Director (Plans). Such recommendation is contained in Paragraph 5.

2. Contract No. SP-1915 is broken into three major sections. Section A covered engineering and production flight testing and support of the flight test program at Edwards AFB. Section B-1 covered research, development, and application in connection with the THERMOS program. Section B-2 covered repair and overhaul of existing equipment. Section B-3 covered purchase of parts and service bulletin kits. Sections A and B were effective for the period 1 July 1957 to 29 June 1958. Work of this nature continued under Contracts No. SP-1917 and SP-1918 beginning 1 July 1958. Section C covers GUSTO work which is still active.

3. During negotiations held on 4 March 1959, a final price was negotiated for Sections A and B. Details of this negotiation are set forth in a Memorandum For the Record, DPD-1919-59.

4. This Amendment No. 4 establishes a final fixed price for Sections A and B and reduces the funds available for Section C work. The total consideration for the contract, however, remains unchanged and is broken down as follows:

<u>Section</u>	<u>Amount</u>
A	\$811,274.00
B	1,267,132.00
C	1,186,807.00
	<u>\$3,265,213.00</u>

\$2,750,000.00 FY 1957 CHALICE funds were previously obligated. Of this amount \$1,485,887 was allocated for CHALICE work, \$592,519 for THERMOS work, and the remaining \$671,594 for GUSTO work. \$315,213 FY 1958 CHALICE funds was previously obligated for GUSTO work. The FY 1959 GUSTO obligation in the amount of \$200,000 remains unchanged. As a result of the above, the funds are recapped as follows:

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25 YEAR RE-REVIEW

SECRET

<u>FY</u>	<u>Funds</u>	<u>Project</u>	<u>Amount</u>	<u>Section of the Contract</u>
1957	CHALICE	CHALICE	\$1,485,887	A, B-2 & B-3
1957	CHALICE	THERMOS	592,519	B-1
1957	CHALICE	GUSTO	671,594	C
1958	CHALICE	GUSTO	315,213	C
1959	GUSTO	GUSTO	200,000	C
Total -			\$3,265,213	

5. Approval of Amendment No. 4 to Contract No. SP-1915 and execution thereof on behalf of the Agency by the Contracting Officer is recommended.

for
Contracting Officer, DPD

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CONCURRENCES:

3/24/59
 Comptroller, DPD

25X1

3/26/59
 Chief, R&D

25X1

Acting Chief, DPD

25X1

Office of General Counsel

25X1

Approval requested in
Paragraph 5, granted.

RICHARD M. BISSELL, JR.
Deputy Director
(Plans)

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Distribution:

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